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MONTANA LEGISLATIVE HISTORY

Chapter 653 1985

Bill H 554 S _____ Original bill & history ✓ C

H. Committee on Business & Labor			S. Committee on Labor & Employment Relations		
Hearing Date(s)	2-8	___C	Hearing Date(s)	3-14	___C
	2-14	___C		_____	___C
	2-19	___C		_____	___C
	2-20	___C		3-19	___C
Date Out	2-20	___C	Date out	3-20	

Did this bill originate in an interim committee? ___Yes ___No

Committee _____ Report _____

Free Conference Committee 4-18
The Law Library has no minutes from this committee.

5/10 SIGNED BY GOVERNOR
CHAPTER NUMBER 707 EFFECTIVE DATE: 10/01/85

HB 551 INTRODUCED BY REHBERG
ESTABLISHING A METHOD FOR CREATION OF A NEW HIGH SCHOOL DISTRICT
BY REQUEST OF SUPERINTENDENT OF PUBLIC INSTRUCTION

1/29	INTRODUCED		
1/29	REFERRED TO EDUCATION & CULTURAL RESOURCES		
2/11	HEARING		
2/21	COMMITTEE REPORT-BILL PASS AS AMENDED		
2/22	2ND READING PASS	92	2
2/23	3RD READING PASS	94	1
	TRANSMITTED TO SENATE		
3/04	REFERRED TO EDUCATION & CULTURAL RESOURCES		
3/18	HEARING		
3/26	COMM REPORT-BILL CONCURRED AS AMENDED		
3/29	2ND READING CONCURRED	50	0
3/30	3RD READING CONCURRED	49	0
	RETURNED TO HOUSE WITH AMENDMENTS		
4/08	2ND READING AMENDMENTS CONCURRED	93	0
4/08	ON MOTION RULES SUSPENDED		
	PLACED ON 3RD READING THIS DAY		
4/08	3RD READING AMENDMENTS CONCURRED	98	0
4/16	SIGNED BY SPEAKER		
4/16	SIGNED BY PRESIDENT		
4/18	TRANSMITTED TO GOVERNOR		
4/22	SIGNED BY GOVERNOR		
	CHAPTER NUMBER 585 EFFECTIVE DATE: 10/01/85		

HB 552 INTRODUCED BY J. BROWN, FULLER, BACHINI, ET AL.
TRANSIENT RETAIL MERCHANTS - REVISION OF COUNTY LICENSING PROVISIONS

1/29 INTRODUCED
1/29 REFERRED TO BUSINESS & LABOR
2/08 HEARING
DIED IN COMMITTEE

HB 553 INTRODUCED BY D. BROWN
MOTOR VEHICLE REPLACEMENT FUNDS - DISTRIBUTION ON FISCAL YEAR 1981 BASIS

1/29 INTRODUCED
1/29 REFERRED TO TAXATION
1/30 FISCAL NOTE REQUESTED
2/08 HEARING
2/08 FISCAL NOTE RECEIVED
DIED IN COMMITTEE

HB 554 INTRODUCED BY CONNELLY, BARDANOUVE, ET AL.
BUILD MONTANA BORROWERS TO COMPLY WITH CONTRACTOR'S LAWS

1/29 INTRODUCED
1/29 REFERRED TO BUSINESS & LABOR

2/08	HEARING		
2/20	COMMITTEE REPORT-BILL PASS AS AMENDED		
2/21	2ND READING DO NOT PASS	54	46
2/22	RECONSIDERATION		
2/25	2ND READING PASS	64	28
2/27	3RD READING PASS	82	17
	TRANSMITTED TO SENATE		
3/05	REFERRED TO LABOR & EMPLOYMENT RELATIONS		
3/14	HEARING		
3/20	COMM REPORT-BILL CONCURRED AS AMENDED		
3/23	STATEMENT OF INTENT ATTACHED		
3/25	2ND READING CONCURRED AS AMENDED	45	5
3/27	3RD READING CONCURRED	45	5
	RETURNED TO HOUSE WITH AMENDMENTS		
4/08	2ND READING AMENDMENTS NOT CONCURRED	94	0
4/09	CONFERENCE COMMITTEE APPOINTED		
4/17	CONFERENCE COMMITTEE DISSOLVED		
4/17	FREE CONFERENCE COMMITTEE APPOINTED		
4/18	FREE CONFERENCE COMMITTEE REPORT		
	HOUSE		
4/19	2ND READING FREE CONFERENCE COMMITTEE REPORT ADOPTED	89	6
4/19	3RD READING FREE CONFERENCE COMMITTEE REPORT ADOPTED	90	7
	SENATE		
4/19	2ND READING FREE CONFERENCE COMMITTEE REPORT ADOPTED	50	0
4/19	3RD READING FREE CONFERENCE COMMITTEE REPORT ADOPTED	46	2
4/24	SIGNED BY SPEAKER		
4/24	SIGNED BY PRESIDENT		
4/25	TRANSMITTED TO GOVERNOR		
4/30	SIGNED BY GOVERNOR		
	CHAPTER NUMBER 653 EFFECTIVE DATE: 10/01/85		

HB 555 INTRODUCED BY BRADLEY, BARDANOUVE
CHOOSING A PRESIDENTIAL ELECTOR FROM EACH CONGRESSIONAL DISTRICT, TWO AT LARGE

1/29	INTRODUCED		
1/29	REFERRED TO STATE ADMINISTRATION		
2/11	HEARING		
2/11	ADVERSE COMMITTEE REPORT		
2/13	BILL KILLED	74	17

HB 556 INTRODUCED BY BRADLEY, NELSON, ET AL.
CREATE A BOARD OF TEACHING AND TEACHER ETHICS PANEL

1/29	INTRODUCED		
1/29	REFERRED TO EDUCATION & CULTURAL RESOURCES		
2/13	HEARING		
2/19	ADVERSE COMMITTEE REPORT		
2/19	FISCAL NOTE REQUESTED		
2/19	FISCAL NOTE RECEIVED		
2/20	BILL KILLED	71	28

(To be kept current -- post bills when entering being heard or leaving committee.) Form CS-32

STATUS SHEET

49TH LEGISLATIVE SESSION

COMMITTEE ON BUSINESS AND LABOR

HOUSE BILL NO.	ENTERED COMM.	DATE CONSIDERED	OUT OF COMM.	DO PASS DATE	DO NOT PASS DATE	DO PASS AS AMEND. DATE	BE CONCURRED IN DATE	BE CONC. IN AS AMENDED DATE	BE NOT CONCURRED IN DATE
474	1-25	2-12/2-13	2-13			2-13			
475	1-25	2-12	2-12			2-12			
477	1-25	2-12/2-13	2-13		2-13				
479	1-25	2-19/2-23		TABLED	(SUBCOMMITTEE)				
485	1-25	2-12/2-13	2-13		2-13				
487	1-25	2-12	2-12	2-12					
492	1-26	2-1	2-1			2-1			
499	1-26	2-1/2-4		TABLED AS AMENDED					
527	1-28	2-11/2-13 3-6	2-13		2-13				
552	1-29	2-8/2-12		TABLED					
554	1-29	2-8/2-14 2-19	2-19			2-19			
559	1-30	2-14		TABLED					
561	1-30	2-15/2-20	2-20			2-20			
562	1-30	2-15/2-20		TABLED					
563	1-30	2-15/2-20	2-20	2-20					
567	1-30	2-13/2-21 2-23	2-21			2-21			

Use a separate sheet for Senate, House Bills, and Resolutions

LC 0913/01

HOUSE BILL NO. 554

INTRODUCED BY Connelly Bardanouve Hart Ass Kadas Wanvig Mahlum McElwain Lewis C. Smith Jr.

A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING CONTRACTS FOR PROJECTS FINANCED UNDER THE MONTANA ECONOMIC DEVELOPMENT BOND ACT TO COMPLY WITH THE PROVISIONS OF THE PUBLIC CONTRACTOR'S FEES AND TAX LAW AND WITH THE PROVISIONS OF THE LAW ON PUBLIC CONSTRUCTION CONTRACTS; AMENDING SECTIONS 17-5-1526 AND 17-5-1527, MCA."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 17-5-1526, MCA, is amended to read:

"17-5-1526. Procedure prior to financing projects. (1) The board may finance projects [other than major projects] under this part only when it finds that:

(a) the financing is in the public interest and is consistent with the legislative purposes and findings set forth in 17-5-1502;

(b) the financing to be provided by the board for a project does not exceed either $800,000 or 90% of the cost or appraised value of the project, whichever is less;

(c) a financial institution will participate in financing the project, either directly or through a letter of credit, to the extent of at least 10% of the financing to be provided by the board;

(d) the financing for the project is insured or guaranteed in whole or in part by a private or governmental insurer or guarantor, including but not limited to a guaranty by the board pursuant to 17-5-1519; and

(e) any contracts to construct the projects require all contractors to comply with the provisions of Title 15, chapter 50, and of Title 18, chapter 2; and

~~(e)~~(f) adequate provision is made in the loan agreement, lease, or other credit arrangement regarding a project or projects being financed to provide for payment of debt service on bonds of the board issued to finance such project or projects, to create and maintain reserves therefor, and to meet all costs and expenses of issuing and servicing the bonds.

(2) In order to make the findings as described in subsection (1)(a), a hearing must be conducted in the following manner:

(a) the city or county in which the project will be located must be notified; and the city and county must, within 14 days after receipt of the notice, notify the board if it elects to conduct the hearing; or

(b) if no request for a local hearing is received, the board may hold the hearing at a time and place it prescribes.

(3) If the hearing required by subsection (2) is

conducted by a local government, the governing body of the local government must notify the board of its determination of whether the project is in the public interest within 14 days of the completion of the public hearing.

(4) When a hearing is required either locally or at the state level, notice must be given, at least once a week for 3 weeks prior to the date set for the hearing, by publication in a newspaper of general circulation in the city or county where the hearing will be held. The notice must include the time and place of the hearing; the general nature of the project; the name of the lessee, borrower, or user of the project; and the estimated cost of the project."

Section 2. Section 17-5-1527, MCA, is amended to read:

"17-5-1527. Procedure prior to financing major projects. (1) The board may finance major projects under this part only when it finds that:

(a) the financing is in the public interest and is consistent with legislative purposes and findings;

(b) the financing to be provided by the board for a project does not exceed either $10 million or 90% of the cost or appraised value of the project, whichever is less;

(c) a financial institution will participate in financing the project if the cost or appraised value is less than $1 million, either directly or through a letter of credit, to the extent of at least 10% of the financing to be

provided by the board, provided, however, that participation by a financial institution in projects of over $1 million is at the discretion of the board;

(d) the financing for the project is insured or guaranteed in whole or in part by a private or governmental insurer or guarantor, including but not limited to a guaranty by the board pursuant to 17-5-1519; and

(e) any contracts to construct the projects require all contractors to comply with the provisions of Title 15, chapter 50, and of Title 18, chapter 2; and

~~(e)~~(f) adequate provision is made in the loan agreement, lease, or other credit arrangement regarding a project or projects being financed to provide for payment of debt service on bonds of the board issued to finance such project or projects, to create and maintain reserves therefor, and to meet all costs and expenses of issuing and servicing the bonds.

(2) In order to make the findings as described in subsection (1)(a), a hearing must be conducted in the following manner:

(a) the city or county in which the project will be located shall be notified, and within 14 days must advise the board if it elects to conduct the hearing; or

(b) if no request for a local hearing is received, the board may hold the hearing at a time and place it

prescribes.

(3) If the hearing required by subsection (2) is conducted by a local government, the governing body of the local government must notify the board of its determination of whether the project is in the public interest within 14 days of the completion of the public hearing.

(4) When a hearing is required either locally or at the state level, notice must be given, at least once a week for 3 weeks prior to the date set for the hearing, by publication in a newspaper of general circulation in the city or county where the hearing will be held. The notice must include the time and place of the hearing; the general nature of the project; the name of the lessee, borrower, or user of the project; and the estimated cost of the project."

NEW SECTION. Section 3. Extension of authority. Any existing authority of the board of economic development to make rules on the subject of the provisions of this act is extended to the provisions of this act.

-End-

MINUTES OF THE MEETING
BUSINESS AND LABOR COMMITTEE
MONTANA STATE
HOUSE OF REPRESENTATIVES

February 8, 1985

The meeting of the Business and Labor Committee was called to order by Chairman Bob Pavlovich, on February 8, at 8:00 a.m. in Room 312-2 of the State Capitol.

ROLL CALL: All members were present with the exception of Representative Ellerd, who was excused by the chairman.

HOUSE BILL 554: Hearing commenced on House Bill 554. Representative Mary Ellen Connelly, District #8, sponsor of the bill, stated that this bill requires contracts financed under the Montana Economic Development Bond Act to comply with the Public Contractor's Fees and Tax Law and with the law on public construction contracts. Representative Connelly distributed to committee members, Exhibit 1, which is attached hereto.

Proponent Alan Solum, representing Flathead County Central Trades and Labor Council stated that contracts are going to out of state contractors, who do not pay tax in Montana. We should build Montana with Montanans, stressed Mr. Solum.

Proponent Reggie McMurdo, representing International Brotherhood Electrical Workers, Local Union 768, explained that the bonds are purchased tax free and are subsidized by all taxpayers.

Proponents Larry Persinger, representing Montana State Building Trades and Gene Fenderson, representing Laborers Local 254, offered their support of House Bill 554.

Opponent Del Harris, Deputy Administrator, Montana Economic Board, stated that this procedure would be difficult to implement. The construction of government buildings by government contractor's is a very different process than private construction. In government construction, a contract is not entered into until the financing has been approved and the board must approve the contractors prior to the approval of financing. By passing House Bill 554 legal, financial and administrative problems will be created, added Mr. Harris.

Opponent Gene Hufford, President, D.A. Davidson and Company, stated that they have currently financed over

125 projects with the present law. House Bill 554 will inhibit development and put us further behind in competing for development.

Opponent Bill Verwolf, Financial Director, Assistant Manager, City of Helena, stated that the IDR bonds are issued by local government. Mr. Verwolf explained that a reasonable method should be created without tying all contacts to the IDR bond.

Opponent Don Judge, representing the Montana State AFL-CIO, explained that tax benefits are received from the IDR bonds. In the issuance on these bonds, public participation is received, the public is providing revenue and a preference for Montanans is provided. Profits from large companies leave the state, we should build Montana with wages and have licensed contractor's on the job, added Mr. Judge.

In closing, Representative Connelly, stated that the local government systems have not been treated equally and the proposed amendments will allow for equal treatment. Local governments are there to serve the people and state money should be used for Montanan's, stressed Representative Connelly.

Representative Driscoll asked Mr. Fenderson what the bond experience in Helena has been. Mr. Fenderson explained that the developer contractor deals direct.

Representative Kadas asked Mr. Harris how large the private, small business he referred to are and how many people they employ. Mr. Harris explained that approximately 200 people are employed by the 50 - 60 private, small business'.

Representative Hansen asked Mr. Harris if outside workers are being hired. He explained that he has had no direct reports, and after checking in the Kalispell area, all of the projects they had financed, had local workers. Representative Hansen then asked if a request for Montana workers could be a stipulation in the loan. He stated that they can encourage, but not request local workers.

There being no further discussion by proponents or opponents, all were excused by the chairman and the hearing on House Bill 554 was closed.

HOUSE BILL 639: Hearing commenced on House Bill 639. Representative Dennis Nathe, District #19, sponsor of the bill at the request of the Department of Commerce, stated that this bill revises the polygraph licensure laws by creating internships, establishing requirements

Representative's Kitselman, Brandewie, Howe, Hart, Keller, Jones and Wallin voting yes. House Bill 460 DO PASS AS AMENDED WITH STATEMENT OF INTENT.

ACTION ON HOUSE BILL 468: Representative Brandewie made a motion that House Bill 468 DO PASS. Second was received and the motion carried unanimously.

ACTION ON HOUSE BILL 554: Representative Kadas moved that House Bill 554 DO PASS. Representative Kadas then moved the proposed amendments. Representative Thomas asked the committee to postpone action on House Bill 554, to allow time for further amendments. Representative Kadas withdrew his motions.

ACTION ON HOUSE BILL 639: Representative Kadas moved DO PASS on House Bill 639. Representative McCormick moved that sections 6, 7 and 8 be stricken from the bill. Said motion was carried unanimously.

Representative Driscoll moved that section 9 be stricken from the bill. He explained that the federal courts don't allow polygraph tests and they are not fool proof. Representative Kitselman added that drugs are being taken to alter the accuracy of this test. Question being called, the amendment did pass unanimously. Representative Nisbet moved to amend the title and section 10 of the bill, which carried unanimously. Representative Simon moved that a section be added to allow for rulemaking authority. Paul Verdon, staff researcher explained that rulemaking authority is not needed but an extension of authority is. A new section granting extension of authority, did pass unanimously. House Bill 639 DO PASS AS AMENDED, by unanimous decision.

ACTION ON HOUSE BILLS 132 AND 162: Chairman Pavlovich explained that the subcommittee suggested committee bills be drafted for House Bill 132 and House Bill 162. Representative Kitselman moved to draft the bills. Representative Glaser, explained that three bills are needed, rather than two. The motion carried unanimously, three committee bills will be prepared.

There being no further business before the committee, the meeting was adjourned at 10:50 a.m.

Rep. Bob Pavlovich

BOB PAVLOVICH, Chairman

DAILY ROLL CALL

BUSINESS AND LABOR COMMITTEE

49th LEGISLATIVE SESSION -- 1985

Date Feb. 8, 1985

NAME	PRESENT	ABSENT	EXCUSED
Bob Pavlovich	✓		
Les Kitselman	✓		
Bob Bachini	✓		
Ray Brandewie	✓		
Jan Brown	✓		
Jerry Driscoll	✓		
Robert Ellerd			✓
William Glaser	✓		
Stella Jean Hansen	✓		
Marjorie Hart	✓		
Ramona Howe	✓		
Tom Jones	✓		
Mike Kadas	✓		
Vernon Keller	✓		
Lloyd McCormich	✓		
Jerry Nisbet	✓		
James Schultz	✓		
Bruce Simon	✓		
Fred Thomas	✓		
Norm Wallin	✓		

Exhibit 1
February 8, 1985
House Bill 554
Submitted by: Rep. Connelly

Amendments to House Bill 554, Introduced Bill

1. Title, line 6.
Following: "ACT"
Insert: ", THE MONTANA IN-STATE INVESTMENT ACT, AND THE INDUSTRIAL DEVELOPMENT PROJECTS LAW"

2. Title, line 7.
Following: "WITH"
Strike: "THE"
Insert: "CERTAIN"

3. Page 2, line 7.
Following: "of"
Strike: "Title 18, chapter 2"
Insert: "18-2-402 and 18-2-403"

4. Page 4, line 10.
Following: "of"
Strike: "Title 18, chapter 2"
Insert: "18-2-402 and 18-2-403"

5. Page 5, line 15.
Following: line 14
Insert: "NEW SECTION. Section 3. Standard prevailing rates of wages and preference of Montana labor -- preference to lowest resident bidder. Any contract to construct a project financed pursuant to this part must require all contractors to comply with the provisions of Title 15, chapter 50, and of 18-1-102, 18-2-402 and 18-2-403."
Renumber: subsequent section

6. Page 5, following line 18.
Insert: "NEW SECTION. Section 5. Codification instruction. Section 3 is intended to be codified as an integral part of Title 17, chapter 6, part 3, and as an integral part of Title 90, chapter 5, part 1, and the provisions of Title 17, chapter 6, part 3, and of Title 90, chapter 5, part 1, apply to section 3."

AMEND/ee/HB 554

VISITORS' REGISTER

BUSINESS AND LABOR COMMITTEE

BILL NO. House Bill 554 DATE February 8, 1985

SPONSOR Representative Connelly

NAME (please print)	REPRESENTING	SUPPORT	OPPOSE
Bill Verwolf	City of Helena		✓
Larry Persinger	Montana State Building Trades	X	
Wm Fallon	Flathead County Central Trades & Labor Council	X	
Reg McMurdo	Local Union 768 Electrical Workers International Brotherhood	X	
Eugene Anderson	Laborer 254	X	
Don Judge	MT STATE AFL-CIO	X	

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR WITNESS STATEMENT FORM.

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

MINUTES OF THE MEETING
BUSINESS AND LABOR COMMITTEE
MONTANA STATE
HOUSE OF REPRESENTATIVES

February 14, 1985

The meeting of the Business and Labor Committee was called to order by Chairman Bob Pavlovich, on February 14, 1985 at 8:00 a.m. in Room 312-1 of the State Capitol.

ROLL CALL: All members were present.

HOUSE BILL 559: Hearing commenced on House Bill 559. Representative Kelly Addy, District #94, sponsor of the bill, stated that this would allow a partial lump sum advance against a final workers' compensation settlement and would be effective immediately.

Proponent Karl England, representing the Montana Trial Lawyers' Association, explained that this would allow a partial lump sum advance against the final workers' compensation settlement. House Bill 559 would just advance the time in which the payment was made.

Opponent George Wood, Executive Secretary, Montana Self-Insurers' Association, supplied written testimony, which is attached hereto as Exhibit 1.

Opponent Jan Vanriper, Division of Workers' Compensation, Department of Labor and Industry, stated that House Bill 559 will not be necessary if House Bill 453 is passed. She explained that few cases result in final settlement, so therefore, the amendment is not necessary. House Bill 559 does not limit these lump sum advances to permanent total disability, added Ms. Vanriper.

In closing, Representative Addy, stated that the intent of House Bill 559 is to overrule the Grimshaw decision.

There being no further discussion by proponents or opponents, all were excused by the chairman and the hearing on House Bill 559 was closed.

HOUSE BILL 583: Hearing commenced on House Bill 583. Representative Norm Wallin, District #78, sponsor of the bill, stated that this would set the maximum weekly unemployment benefit at $134 and the minimum at 15% of that figure or of the average weekly wage, whichever is less. Representative Wallin explained that the employers are paying more, but the benefits are not being reduced and that 24 states have a lower maximum amount than Montana. The reduction to $134

Representative Schultz asked Mr. Stockton what percentage the summer volume exceeds the winter volume. Mr. Stockton stated that it is between 50% and 100%

There being no further discussion by proponents or opponents, all were excused by the chairman and the hearing on House Bill 598 was closed.

ACTION ON HOUSE BILL 707: Representative Driscoll explained that a similar bill, covering the concerns will not be introduced and therefore, will be amended into House Bill 707. The amendments are being prepared and should be ready for action on Wednesday.

ACTION ON HOUSE BILL 474: The statement of intent that is attached hereto as Exhibit 7, was moved by Representative Thomas. The motion PASSED unanimously. The statement of intent was not adopted on February 13, 1985 when the bill was passed.

ACTION ON HOUSE BILL 559: Representative Kitselman moved that HOUSE BILL 559 BE TABLED, second was received and the motion CARRIED unanimously.

ACTION ON HOUSE BILL 592: Representative Simon made a motion that House Bill 592 BE TABLED. The motion CARRIED with all but Representatives Ellerd, Hansen, and Kadas voting yes.

ACTION ON HOUSE BILL 599: Representative Brandewie made a motion that House Bill 599 DO PASS. Representative Driscoll stated that it is against the constitution to work overtime. Second was received and House Bill 599 PASSED with all but Representative McCormick voting yes.

ACTION ON HOUSE BILL 583: Representative Wallin moved DO PASS on House Bill 583. Representative McCormick offered a substitute motion that House Bill 583 DO NOT PASS. A roll call vote resulted in 11 members voting yes and 9 members voting no. Substitute motion that House Bill 583 DO NOT PASS carried.

ACTION ON HOUSE BILL 598: Representative Kadas moved DO PASS on House Bill 598. Representative Kadas then moved the proposed amendments to the bill, which PASSED by a unanimous vote. Representative Schultz moved House Bill 598 DO PASS AS AMENDED, which received a unanimous vote.

ACTION ON HOUSE BILL 554: Representative Thomas made a motion that House Bill 554 DO PASS. Representative Thomas then withdrew his motion.

Exhibit 9
February 14, 1985
House Bill 554
Submitted by: Rep. Connelly

Feb 8

Amendments to House Bill 554, Introduced Bill

1. Title, line 6.
Following: "ACT"
Insert: ", THE MONTANA IN-STATE INVESTMENT ACT, AND THE INDUSTRIAL DEVELOPMENT PROJECTS LAW"

2. Title, line 7.
Following: "WITH"
Strike: the remainder of line 7 and line 8 through "WITH THE"
Insert: "CERTAIN"

3. Page 2, line 6.
Following: "of"
Strike: the remainder of line 6 and line 7 through "2"
Insert: "18-2-402 and 18-2-403"

4. Page 4, line 10.
Following: "of"
Strike: the remainder of line 9 and line 10 through "2"
Insert: "18-2-402 and 18-2-403"

5. Page 5, line 15.
Following: line 14
Insert: "NEW SECTION. Section 3. Standard prevailing rates of wages and preference of Montana labor -- preference to lowest resident bidder. Any contract to construct a project financed pursuant to this part must require all contractors to comply with the provisions of 18-1-102, 18-2-402 and 18-2-403."
Renumber: subsequent section

6. Page 5, following line 18.
Insert: "NEW SECTION. Section 5. Codification instruction. Section 3 is intended to be codified as an integral part of Title 17, chapter 6, part 3, and as an integral part of Title 90, chapter 5, part 1, and the provisions of Title 17, chapter 6, part 3, and of Title 90, chapter 5, part 1, apply to section 3."

AMEND/ee/HB 554

DAILY ROLL CALL

BUSINESS AND LABOR COMMITTEE

49th LEGISLATIVE SESSION -- 1985

Date Feb. 14, 1985

NAME	PRESENT	ABSENT	EXCUSED
Bob Pavlovich	✓		
Les Kitselman	✓		
Bob Bachini	✓		
Ray Brandewie	✓		
Jan Brown	✓		
Jerry Driscoll	✓		
Robert Ellerd	✓		
William Glaser	✓		
Stella Jean Hansen	✓		
Marjorie Hart	✓		
Ramona Howe	✓		
Tom Jones	✓		
Mike Kadas	✓		
Vernon Keller	✓		
Lloyd McCormich	✓		
Jerry Nisbet	✓		
James Schultz	✓		
Bruce Simon	✓		
Fred Thomas	✓		
Norm Wallin	✓		

MINUTES OF THE MEETING
BUSINESS AND LABOR COMMITTEE
MONTANA STATE
HOUSE OF REPRESENTATIVES

February 19, 1985

The meeting of the Business and Labor Committee was called to order by Chairman Bob Pavlovich, on February 19, 1985 at 7:00 a.m. in Room 312-2 of the State Capitol.

ROLL CALL: All member were present.

ACTION ON HOUSE BILL 817: Representative Brandewie made a motion that House Bill 817 DO PASS. Representative Kitselman moved the amendments and statement of intent. Representative Driscoll and Schultz raised questions regarding those high risk individuals. Representative Glaser stated residency is defined in the election laws. Question being call, the amendments and statement of intent DO PASS by a unanimous vote. House Bill 817 DO PASS AS AMENDED WITH STATEMENT OF INTENT unanimously.

ACTION ON HOUSE BILL 668: Representative Kilselman moved to TABLE House Bill 668. He explained that this will create "stripping" of group insurance policies. House Bill 668 was TABLED unanimously.

ACTION ON HOUSE BILL 554: Representative Thomas moved DO PASS on House Bill 554. Representative Thomas then moved and explained the amendments to the bill which do not include prevailing wage. The amendments do pass by unanimous vote. House Bill 554 DO PASS AS AMENDED unanimously.

ACTION ON HOUSE BILL 773: Representative Kadas moved DO PASS on House Bill 773. Representative Kadas proposed an amendment to eliminate "stripper wells" from the bill. Representative Kitselman added that oil purchases have to be accounted for and there is little theft. Representative Keller stated that royalty owners will not benefit. Representative Kadas then withdrew his motion. A "stripper well" is one that produces less than 10 barrels per day. Representative Driscoll moved that a provision in section 1 be added to not apply to "stripper wells". Said amendments did pass by a unanimous vote. Representative Kitselman made a substitute motion that House Bill 773 be TABLED, which received a unanimous vote.

ACTION ON HOUSE BILL 634: Representative Thomas made a motion that House Bill 634 DO PASS. Second was received, House Bill 634 DO PASS by unanimous vote.

STANDING COMMITTEE REPORT

February 19 85
PAGE 1 of 2

MR. SPEAKER

We, your committee on BUSINESS AND LABOR

having had under consideration HOUSE Bill No. 554

FIRST reading copy (WHITE color)

BUILD MONTANA BORROWERS TO COMPLY WITH CONTRACTOR'S LAWS

Respectfully report as follows: That HOUSE Bill No. 554

BE AMENDED AS FOLLOWS:

1) Title, line 6
Following: "ACT"
Insert: ", THE MONTANA IN-STATE INVESTMENT ACT, AND THE INDUSTRIAL DEVELOPMENT PROJECTS LAW"

2) Title, line 6
Following: "WITH"
Strike: the remainder of line 6 and 7 through "PROVISIONS"
Insert: "A PROVISION"

3) Page 2, line 6
Following: "of"
Strike: the remainder of line 6 and line 7 through "2"
Insert: "15-2-403"

DO PASS

Rep. Robert Pavlovich, Chairman.

STATE PUB. CO.
Helena, Mont.

COMMITTEE SECRETARY

MINUTES OF THE MEETING
BUSINESS AND LABOR COMMITTEE
MONTANA STATE
HOUSE OF REPRESENTATIVES

February 20, 1985

The meeting of the Business and Labor Committee was called to order by Chairman Bob Pavlovich on February 20, 1985 at 7:30 a.m. in Room 312-2 of the State Capitol.

ROLL CALL: All members were present.

ACTION ON HOUSE BILL 728: Representative Kadas moved DO PASS on House Bill 728. Representative McCormick offered a substitute motion that House Bill 728 DO NOT PASS. The motion PASSED with all but Representatives Bachini, Hansen, Kadas, and Nisbet voting yes. House Bill 728 DO NOT PASS.

ACTION ON HOUSE BILL 561: Representative McCormick moved DO PASS on House Bill 561. Representative Simon moved to strike sections 7, 9, and 10 from the bill. He stated that we should not license out-of-state transfers who have less hours than the Montana requirement. Representative Brandewie stated that some people may have less hours than required, but 20 years experience and be prevented from practicing in Montana. Representative Brown offered her support of the amendment. Question being called, the amendment PASSED with Representatives Brandewie, Hansen, Jones, and Pavlovich voting no. Representative Brown moved that on page 3, lines 23 - 25, the years experience be reinserted. Bev Ball of Great Falls, was present and explained that if a person wants to teach, they should not have to have the years experience and there are no facts showing that those with experience are better teachers. Representative Wallin raised a question regarding the inspection provision. Shirley Miller, with the Department of Commerce, explained that an inspector can inspect realtors, plumbers, beauty salons, etc. at once while traveling throughout the state. Representative Brown's amendment FAILED by a vote of 6 to 8. House Bill 561 DO PASS AS AMENDED unanimously.

ACTION ON HOUSE BILL 562: Representative Jones moved DO NOT PASS on House Bill 562, and stated that a high school diploma should not be needed, this is discriminatory. Representative McCormick offered a substitute motion that HOUSE BILL 562 DO PASS. Representative Wallin stated that this is a profession those that don't finish high school can get into. Representatives Schultz and Glaser

Proponent Bill Wilson, representing the Veterans of Foreign Wars, explained that 132 licenses need to be applied for currently, before a statewide raffle can be conducted. The county attorney who issues said license, can take months before the applicant is in receipt of the license. The cost for these licenses adds up, and the requirement of one license would be beneficial to all.

There being no further discussion by proponents or opponents, all were excused by the vice-chairman and the hearing on House Bill 825 was closed.

ACTION ON HOUSE BILL 825: Representative Pavlovich moved DO PASS on House Bill 825. Representative Brandewie asked if this would tie with the federal government in the requirement for a nonprofit organization. Representative Driscoll added that a nonprofit, tax exempt organization must file a 990 report with the federal government. Representative Schultz suggested an amendment be added to further define nonprofit organization. Paul Verdon, the staff researcher, stated section 15-31-102 would further clarify the definition. Representative Driscoll moved the amendment as suggested by Paul Verdon, which passed by a unanimous vote. House Bill 825 PASSED AS AMENDED unanimously.

Gary Blewett, of the Department of Labor and Industry, was present to provide information on House Bill 554. Mr. Blewett explained that House Bill 453 is limited to making advances on indemnity benefits. House Bill 559 permits payments not included in indemnity benefits. Permanent Partial and permanent total disability benefits are different. House Bill 554 allows a larger advance and is an additional benefit, not a reduction of the final settlement.

Representative Schultz asked Mr. Blewett if there are any guidelines set as to the amount of said advance. Mr. Blewett explained that the party must make application and state their reasons for the advance.

Mr. Blewett clarified a previous statement and said this is not technically an additional benefit, as it can be reduced from the final settlement.

DAILY ROLL CALL

BUSINESS AND LABOR COMMITTEE

49th LEGISLATIVE SESSION -- 1985

Date Feb. 20 1985

NAME	PRESENT	ABSENT	EXCUSED
Bob Pavlovich	✓		
Les Kitselman	✓		
Bob Bachini	✓		
Ray Brandewie	✓		
Jan Brown	✓		
Jerry Driscoll	/		
Robert Ellerd	✓		
William Glaser	✓		
Stella Jean Hansen	✓		
Marjorie Hart	✓		
Ramona Howe	✓		
Tom Jones	✓		
Mike Kadas	✓		
Vernon Keller	✓		
Lloyd McCormich	✓		
Jerry Nisbet	✓		
James Schultz	✓		
Bruce Simon	✓		
Fred Thomas	✓		
Norm Wallin	✓		

CS-30

REPORT: LCB

MONTANA LEGISLATIVE COUNCIL BILL STATUS SYSTEM
FINAL COMMITTEE REPORT OF REFERRED BILLS
COMMITTEE--(S) LABOR & EMPLOYMENT

PAGE NBR..... 210
RUN TIME 8:07
RUN DATE.... 04/29/85

CHAIRMAN--LYNCH, J. D.
NORMAL SCHEDULE==> SITE: ROOM 413/415 DAYS: TU-TH-SAT TIME: 1:00-3:00 P.M.

SECRETARY-DAILY, BETH

--BILL NO---	REFER DATE---	HEARING DATE---	CONSIDERATION DATES----------	COMMITTEE ACTION----------	REREFERRED TO COMM----	DATE OUT-
HB0387	3/05	3/12	3/12	CONCUR		3/12
ADDY, KELLY			ADMINISTRATIVE RULES RELATING TO PUBLIC WORKS CONTRACTS			
HB0428	2/12	3/07	3/7	CONCUR		3/7
MILES, JOAN			GENERALLY REVISE UNEMPLOYMENT INSURANCE LAW			
HB0453	2/13	3/12	3/12 3/19	CONCUR		3/19
BRADLEY, DOROTHY			RELATING TO TOTAL DISABILITY WORKERS' COMPENSATION BENEFITS			
HB0467	2/13	3/12	3/12	CONCUR		3/12
HANNAH, TOM			RELIGIOUS BELIEF VS. REQUIRING PUBLIC EMPLOYEE TO JOIN LABOR ORGANIZATION			
HB0554	3/05	3/14	3/14 3/19	CONCUR AS AMENDED		3/19
CONNELLY, MARY ELLEN			BUILD MONTANA BORROWERS TO COMPLY WITH CONTRACTOR'S LAWS			
HB0599	2/21	3/19	3/19	CONCUR		3/19
ASAY, TOM			REMOVE HYDROELECTRIC DAM EMPLOYEE 8-HOURS DAY'S WORK REQUIREMENT			
HB0715	3/04	3/07	3/7	CONCUR		3/7
SPAETH, GARY			EXEMPT FROM WORKERS' COMP. COVERAGE WORK AS OFFICIAL AT SCHOOL SPORT EVENT			
HB0718	2/21	3/14	3/14 3/19	ADVERSE REPORT		3/19
ADDY, KELLY			UNIFORM GRIEVANCE PROCEDURE FOR STATE EMPLOYEES			
HB0778	3/04				JUDICIARY	3/19
SPAETH, GARY			REVISE ATTORNEY FEE PROVISIONS OF WORKERS' COMPENSATION ACT			
HB0853	3/04	3/14	3/12 3/19	CONCUR AS AMENDED		3/19
KRUEGER, KURT D.			REQUIRE STATE CONSTRUCTION CONTRACTS BE PERFORMED BY 50% MONTANA RESIDENTS			
HJ0042	4/15	4/16	4/16	ADVERSE REPORT		4/16
KITSELMAN, LES			REQUEST INTERIM STUDY OF PREVAILING WAGE FOR PUBLIC CONSTRUCTION CONTRACTS			

HOUSE BILL NO. 554

INTRODUCED BY CONNELLY, BARDANOUVE, HARP, ASAY, HALLIGAN, KADAS, COHEN, DRISCOLL, MONTAYNE, GLASER, QUILICI, C. SMITH, JONES, WALLIN, PHILLIPS, BRANDEWIE, ADDY, HARPER

A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING CONTRACTS FOR PROJECTS FINANCED UNDER THE MONTANA ECONOMIC DEVELOPMENT BOND ACT, THE MONTANA IN-STATE INVESTMENT ACT, AND THE INDUSTRIAL DEVELOPMENT PROJECTS LAW TO ~~COMPLY--WITH THE PROVISIONS--OF--THE-PUBLIC-CONTRACTOR'S-FEES-AND-TAX-LAW-AND WITH-THE-PROVISIONS~~ CONTAIN A PROVISION ~~OF-THE-LAW-ON-PUBLIC CONSTRUCTION-CONTRACTS~~ GIVING PREFERENCE TO THE EMPLOYMENT OF MONTANA RESIDENTS; AMENDING SECTIONS 17-5-1526 AND 17-5-1527, MCA."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 17-5-1526, MCA, is amended to read:

"17-5-1526. Procedure prior to financing projects. (1) The board may finance projects [other than major projects] under this part only when it finds that:

(a) the financing is in the public interest and is consistent with the legislative purposes and findings set forth in 17-5-1502;

(b) the financing to be provided by the board for a project does not exceed either $800,000 or 90% of the cost or appraised value of the project, whichever is less;

(c) a financial institution will participate in financing the project, either directly or through a letter of credit, to the extent of at least 10% of the financing to be provided by the board;

(d) the financing for the project is insured or guaranteed in whole or in part by a private or governmental insurer or guarantor, including but not limited to a guaranty by the board pursuant to 17-5-1519; ~~and~~

(e) any contracts to construct the projects require all contractors to ~~comply with the provisions of Title 15, chapter 50, and of Title 18, chapter 2~~ 18-2-403 GIVE PREFERENCE TO THE EMPLOYMENT OF BONA FIDE MONTANA RESIDENTS AS DEFINED IN 18-2-401(4) IN THE PERFORMANCE OF THE WORK ON THE PROJECTS; and

~~(e)~~(f) adequate provision is made in the loan agreement, lease, or other credit arrangement regarding a project or projects being financed to provide for payment of debt service on bonds of the board issued to finance such project or projects, to create and maintain reserves therefor, and to meet all costs and expenses of issuing and servicing the bonds.

(2) In order to make the findings as described in subsection (1)(a), a hearing must be conducted in the

following manner:

(a) the city or county in which the project will be located must be notified; and the city and county must, within 14 days after receipt of the notice, notify the board if it elects to conduct the hearing; or

(b) if no request for a local hearing is received, the board may hold the hearing at a time and place it prescribes.

(3) If the hearing required by subsection (2) is conducted by a local government, the governing body of the local government must notify the board of its determination of whether the project is in the public interest within 14 days of the completion of the public hearing.

(4) When a hearing is required either locally or at the state level, notice must be given, at least once a week for 3 weeks prior to the date set for the hearing, by publication in a newspaper of general circulation in the city or county where the hearing will be held. The notice must include the time and place of the hearing; the general nature of the project; the name of the lessee, borrower, or user of the project; and the estimated cost of the project."

Section 2. Section 17-5-1527, MCA, is amended to read:

"17-5-1527. Procedure prior to financing major projects. (1) The board may finance major projects under this part only when it finds that:

(a) the financing is in the public interest and is consistent with legislative purposes and findings;

(b) the financing to be provided by the board for a project does not exceed either $10 million or 90% of the cost or appraised value of the project, whichever is less;

(c) a financial institution will participate in financing the project if the cost or appraised value is less than $1 million, either directly or through a letter of credit, to the extent of at least 10% of the financing to be provided by the board, provided, however, that participation by a financial institution in projects of over $1 million is at the discretion of the board;

(d) the financing for the project is insured or guaranteed in whole or in part by a private or governmental insurer or guarantor, including but not limited to a guaranty by the board pursuant to 17-5-1519; and

(e) any contracts to construct the projects require all contractors to ~~comply with the provisions of Title 15, chapter 50, and of Title 18, chapter 2~~ 18-2-403 GIVE PREFERENCE TO THE EMPLOYMENT OF BONA FIDE MONTANA RESIDENTS AS DEFINED IN 18-2-401(4) IN THE PERFORMANCE OF THE WORK ON THE PROJECTS; and

~~(e)~~(f) adequate provision is made in the loan ~~agreement, lease,~~ or other credit arrangement regarding a project or projects being financed to provide for payment of

debt service on bonds of the board issued to finance such project or projects, to create and maintain reserves therefor, and to meet all costs and expenses of issuing and servicing the bonds.

(2) In order to make the findings as described in subsection (1)(a), a hearing must be conducted in the following manner:

(a) the city or county in which the project will be located shall be notified, and within 14 days must advise the board if it elects to conduct the hearing; or

(b) if no request for a local hearing is received, the board may hold the hearing at a time and place it prescribes.

(3) If the hearing required by subsection (2) is conducted by a local government, the governing body of the local government must notify the board of its determination of whether the project is in the public interest within 14 days of the completion of the public hearing.

(4) When a hearing is required either locally or at the state level, notice must be given, at least once a week for 3 weeks prior to the date set for the hearing, by publication in a newspaper of general circulation in the city or county where the hearing will be held. The notice must include the time and place of the hearing; the general nature of the project; the name of the lessee, borrower, or

user of the project; and the estimated cost of the project."

NEW SECTION. SECTION 3. PREFERENCE OF MONTANA LABOR. ANY CONTRACT TO CONSTRUCT A PROJECT FINANCED PURSUANT TO THIS PART MUST REQUIRE ALL CONTRACTORS TO ~~COMPLY WITH THE PROVISIONS OF 18-2-403~~ GIVE PREFERENCE TO THE EMPLOYMENT OF BONA FIDE MONTANA RESIDENTS AS DEFINED IN 18-2-401(4) IN THE PERFORMANCE OF THE WORK ON THE PROJECTS.

NEW SECTION. Section 4. Extension of authority. Any existing authority of the board of economic development to make rules on the subject of the provisions of this act is extended to the provisions of this act.

NEW SECTION. SECTION 5. CODIFICATION INSTRUCTION. SECTION 3 IS INTENDED TO BE CODIFIED AS AN INTEGRAL PART OF TITLE 17, CHAPTER 6, PART 3, AND AS AN INTEGRAL PART OF TITLE 90, CHAPTER 5, PART 1, AND THE PROVISIONS OF TITLE 17, CHAPTER 6, PART 3, AND OF TITLE 90, CHAPTER 5, PART 1, APPLY TO SECTION 3.

-End-

MONTANA STATE SENATE
LABOR AND EMPLOYMENT COMMITTEE
MINUTES OF THE MEETING

March 14, 1985

The twenty-first meeting of the Labor and Employment Relations Committee came to order at 1:00 p.m. in Room 413/415, in the State Capitol on March 14, 1985.

ROLL CALL: All members were present.

CONSIDERATION OF HOUSE BILL 554: Chairman Lynch called on Representative Mary Ellen Connelly, sponsor of House Bill 554. House Bill 554 merely requires that contractors projects that are financed under the Montana Economic Development Act, the Montana In-State Investment Act and the Industrial Development Projects (those projects which use coal tax money invested in Montana) give a preference to the employment of Montana residents.

PROPONENTS OF HOUSE BILL 554: None were present.

OPPONENTS OF HOUSE BILL 554: None were present.

QUESTIONS FROM THE COMMITTEE: Senator Blaylock asked Representative Connelly how this would work in actuality. He said suppose there is an out-of-state contractor that bid a job and got it here in Montana; he has to pay the prevailing wage but he brings a number of his own crew with him; is he subject to a suit under this law?

Representative Connelly replied that the board said it would be their policy to go through the applications and look at them to see who would get the bid. The contractor would be told he would have to give preference to Montanans.

Senator Thayer asked Representative Connelly whether there were more proponents or when this bill was heard in the House.

Representative Connelly replied there were about 10 proponents and two opponents. The opponents objected to the 1% contractors' tax, which was taken out; and they objected to the prevailing wage, which was also out.

Senator Towe pointed out to the committee members that this does not deal with state contractors.

Representative Connelly closed on House Bill 554 saying this bill is trying to help the Build Montana program and provide jobs.

The hearing was closed on House Bill 554.

Senator Towe will carry the bill.

ROLL CALL

Labor and Employment COMMITTEE

48th LEGISLATIVE SESSION -- 1985 Date 3/14/85

SENATE SEAT #	NAME	PRESENT	ABSENT	EXCUSED
1	Senator Aklestad	X		
46	Senator Blaylock	X		
9	Senator Haffey	X		
20	Senator Keating	X		
49	Senator Manning	X		
33	Senator Thayer	X		
	Sentor Towe	X		
5	Chairman Lynch	X		

Each day attach to minutes.

MINUTES OF THE MEETING
LABOR AND EMPLOYMENT COMMITTEE
MONTANA STATE SENATE

March 19, 1985

The twenty-second meeting of the Labor and Employment Committee was called to order at 1:00 p.m. by Chairman J. D. Lynch in Room 413/415 of the State Capitol

ROLL CALL:

All members were present.

CONSIDERATION OF HOUSE BILL 599:

Chairman Lynch called on Representative Tom Asay, sponsor of House bill 599. House Bill 599 deals with the existing statute that says 8 hours constitutes a day's work for hydroelectric dam employees.

PROPONENTS OF HOUSE BILL 599:

Bernard Shelton, representing IBEW, Local #44, submitted testimony in support of HB 599.
(Exhibit No. 1)

Jim Rogers, Site Manager for Montana Power Company, Colstrip, said his company supports Local #44 in this request. He asked that the committee give this bill a Do Pass recommendation and submitted written testimony.
(Exhibit No. 2)

Gene Phillips, representing Pacific Power and Light, said his company has one hydroelectric project in the state. They support House Bill 599.

OPPONENTS OF HOUSE BILL 599:

None were present.

QUESTIONS FROM THE COMMITTEE:

Senator Keating asked Mr. Rogers if Colstrip is a hydroelectric plant. Jim Rogers replied Colstrip is a thermal plant. Montana Power Company doesn't have a hydroelectric plant at Colstrip, but they do have 14 hydroelectric plants elsewhere in the state.

Senator Haffey asked where the hydroelectric facility in question is located. Senator Thayer replied Big Fork.

Chairman Lynch asked Mr. Shelton if his employees are giving up overtime to accommodate this shift. Bernie Shelton

answered they are not; they are working the same amount of hours.

Representative Asay closed on House Bill 599.

The hearing was closed on House Bill 599.

EXECUTIVE ACTION ON HOUSE BILL 599:

Senator Haffey made a motion that House Bill 599 Be Concurred In. On a voice vote, the Committee voted unanimously that HOUSE BILL 599 BE CONCURRED IN. Senator Keating will carry the bill.

EXECUTIVE ACTION ON HOUSE BILL 378:

Senator Keating made a motion to strip Senator Towe's amendments to House Bill 378 and recommend it Be Concurred In.

Senator Keating made a motion to remove House Bill 378 from the table. A roll call vote was taken; the motion tied 4-4. House Bill 378 will stay tabled in Committee. The roll call vote is attached.

EXECUTIVE ACTION ON HOUSE BILL 453:

Senator Thayer asked if anyone knew the status on Senate Bill 402. Chairman Lynch answered as of March 22, it is in House Business and labor Committee.

Senator Towe moved that House Bill 453 Be Concurred In. On a voice vote, the committee voted 5 to 3, with senators Aklestad, Keating and Thayer voting no and all others voting yes, the motion carried.

Senator Towe will carry the bill.

EXECUTIVE ACTION ON HOUSE BILL 554:

Senator Blaylock addressed Dave Wanzenried, Commissioner of Department of Labor, and said if an Idaho contractor came here and brought a whole Idaho crew with him, he wouldn't be paying into Montana's workers compensation for unemployment funding, he would be paying into the Idaho fund for his workers.

Dave Wanzenried said that is not correct. It is different for worker's compensation. When they come to Montana, Idaho contractors would pay Montana unemployment insurance taxes into our trust fund.

Gary Blewett answered the question further: If the Idaho firm and Idaho employees are coming here to work, they don't pay Montana workers' compensation; they pay Idaho workers' compensation. It is only when they hire Montana people when they are doing Montana work that they have to pay workers' compensation in Montana for those employees.

Senator Aklestad addressed Mr. Wanzenried and said on page 2, lines 11-16, the contractor has to give preference in hiring to Montana residents. He asked if that means employers would have o take into consideration the workers' qualifications. Mr. Wanzenried answered you would end up with something like the veterans preference but in this case residence would dominate.

Senator Keating asked Mr. Wanzenried what HB 554 does to change what is already being done.

Dave Wanzenried replied he is not sure he can answer that question.

Chairman Lynch responded to the question, saying that in recalling a similar question which was asked of Representative Connelly, much of this is being done right now, but this bill would encourage further preference in hiring to Montanans.

Senator Towe offered amendments:
Page 2, line 16.
Following: "PROJECTS"
Insert: "in the same manner as preference is granted to veterans under 39-30-201."
Senator Towe also moved the same amendment be made on page 4, line 22, and page 6, line 7.

Senator Towe moved the amendments. On a voice vote, all members of the committee voted yes except Senator Keating who voted no.

Senator Towe moved that House Bill 554 Be Concurred In As Amended. On a voice vote, with senators Aklestad and Keating voting no and all others voting yes, the motion carried.

Senator Towe will carry the bill.

EXECUTIVE ACTION ON HOUSE BILL 718:

Senator Haffey said he thinks the bill has enough wrong with it that it deserves not to pass. Senator Manning said he was talking with several people who represent state employees, and he felt this bill was needed to cover the

ROLL CALL

Labor and Employment COMMITTEE

48th LEGISLATIVE SESSION -- 1985 Date 3/19/85

	NAME	PRESENT	ABSENT	EXCUSED
1	Senator Aklestad	X		
46	Senator Blaylock	X		
9	Senator Haffey	X		
20	Senator Keating	X		
49	Senator Manning	X		
33	Senator Thayer	X		
	Sentor Towe	X		
5	Chairman Lynch	X		

Each day attach to minutes.

SENATE

STANDING COMMITTEE REPORT

CORRECTED COPY

March 19 19 85

MR. PRESIDENT

We, your committee on LABOR AND EMPLOYMENT RELATIONS

having had under consideration HOUSE BILL No. 554

third reading copy (blue color)

BUILD MONTANA BORROWERS TO COMPLY WITH CONTRACTOR'S LAWS

(Senator Towe will carry the bill)

Respectfully report as follows: That HOUSE BILL No. 554

be amended as follows:

Page 2, line 16; page 4, line 22; and page 6, line 7.
Following: "PROJECTS" on each line
Insert: "in the same manner as preference is granted to veterans under 39-30-201"

AND AS AMENDED

BE CONCURRED IN

~~DO PASS~~

~~BE NOT PASSED~~

SENATOR J.D. LYNCH Chairman.

COMMITTEE OF THE WHOLE AMENDMENT

SENATE

MAR 25, 1985
DATE

3:15
TIME

SENATE LABOR AND EMLOYMENT RELATIONS
MR. CHAIRMAN: I MOVE TO AMEND STANDING COMMITTEE REPORT OF 3/19/85 XXX
(corrected copy) ON HOUSE BILL NO. 554
XXXXXXXX ( ) XXXXXX: AS FOLLOWS:
XXX

Strike: amendment in its entirety

PC3HB554.641

ADOPT
REJECT

TOWE

COMMITTEE OF THE WHOLE AMENDMENT

SENATE

MAR 25, 1985
DATE

3:20
TIME

MR. CHAIRMAN: I MOVE TO AMEND HOUSE BILL No. 554

third reading copy (blue Color) as follows:

1. Page 2, line 11.
Following: "(e)"
Insert: "an applicant has submitted a statement indicating"
Following: "projects"
Insert: "will"

2. Page 2, line 16.
Following: "PROJECTS"
Insert: ", if their qualifications are substantially equal to those of nonresidents. Substantially equal qualifications means the qualifications of two or more persons among whom the employer cannot make a reasonable determination that the qualifications held by one person are significantly better suited for the position than the qualifications held by the other persons"

3. Page 6, line 7.
Following: "PROJECTS"
Strike: "."
Insert: ", if their qualifications are substantially equal to those of nonresidents. Substantially equal qualifications means the qualifications of two or more persons among whom the employer cannot make a reasonable determination that the qualifications held by one person are significantly better suited for the position than the qualifications held by the other persons."

4. Attach the following Statement of Intent:

STATEMENT OF INTENT
HOUSE BILL NO.554

"It is the intent of the legislature that nothing contained in HB 554 shall require the economic development board of the department of commerce to enforce the statements submitted by an applicant to comply with section 17-5-1526(e), provided a statement has been submitted by the applicant prior to the approval of the loan."

PC3HB554.642

ADOPT
REJECT

TOWE

STATEMENT OF INTENT

HOUSE BILL 554

It is the intent of the legislature that nothing contained in HB 554 shall require the economic development board of the department of commerce to enforce the statements submitted by an applicant to comply with section 17-5-1526(e), MCA, provided a statement has been submitted by the applicant prior to the approval of the loan.

Montana Legislative Council

REFERENCE BILL
HB 554

HB 0554/04

HOUSE BILL NO. 554

INTRODUCED BY CONNELLY, BARDANOUVE, HARP, ASAY, HALLIGAN, KADAS, COHEN, DRISCOLL, MONTAYNE, GLASER, QUILICI, C. SMITH, JONES, WALLIN, PHILLIPS, BRANDEWIE, ADDY, HARPER

A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING CONTRACTS FOR PROJECTS FINANCED UNDER THE MONTANA ECONOMIC DEVELOPMENT BOND ACT, THE MONTANA IN-STATE INVESTMENT ACT, AND THE INDUSTRIAL DEVELOPMENT PROJECTS LAW TO ~~COMPLY--WITH THE PROVISIONS--OF--THE-PUBLIC-CONTRACTOR'S-FEES-AND-TAX-LAW-AND WITH-THE-PROVISIONS~~ CONTAIN A PROVISION ~~OF-THE-LAW-ON-PUBLIC CONSTRUCTION-CONTRACTS~~ GIVING PREFERENCE TO THE EMPLOYMENT OF MONTANA RESIDENTS; AMENDING SECTIONS 17-5-1526 AND 17-5-1527, MCA."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 17-5-1526, MCA, is amended to read:

"17-5-1526. Procedure prior to financing projects. (1) The board may finance projects [other than major projects] under this part only when it finds that:

(a) the financing is in the public interest and is consistent with the legislative purposes and findings set forth in 17-5-1502;

(b) the financing to be provided by the board for a project does not exceed either $800,000 or 90% of the cost or appraised value of the project, whichever is less;

(c) a financial institution will participate in financing the project, either directly or through a letter of credit, to the extent of at least 10% of the financing to be provided by the board;

(d) the financing for the project is insured or guaranteed in whole or in part by a private or governmental insurer or guarantor, including but not limited to a guaranty by the board pursuant to 17-5-1519; and

(e) AN APPLICANT HAS SUBMITTED A STATEMENT INDICATING any contracts to construct the projects WILL require all contractors to ~~comply--with--the--provisions--of Title--15, chapter--50,--and--of--Title--18,--chapter--2~~ 18-2-403 GIVE PREFERENCE TO THE EMPLOYMENT OF BONA FIDE MONTANA RESIDENTS AS DEFINED IN 18-2-401(4) IN THE PERFORMANCE OF THE WORK ON THE PROJECTS ~~IN-THE-SAME-MANNER-AS-PREFERENCE-IS-GRANTED--TO VETERANS---UNDER--39-30-201~~, IF THEIR QUALIFICATIONS ARE SUBSTANTIALLY EQUAL TO THOSE OF NONRESIDENTS. SUBSTANTIALLY EQUAL QUALIFICATIONS MEANS THE QUALIFICATIONS OF TWO OR MORE PERSONS AMONG WHOM THE EMPLOYER CANNOT MAKE A REASONABLE DETERMINATION THAT THE QUALIFICATIONS HELD BY ONE PERSON ARE SIGNIFICANTLY BETTER SUITED FOR THE POSITION THAN THE QUALIFICATIONS HELD BY THE OTHER PERSONS.~~,-and~~

~~(e)~~(f) adequate provision is made in the loan

agreement, lease, or other credit arrangement regarding a project or projects being financed to provide for payment of debt service on bonds of the board issued to finance such project or projects, to create and maintain reserves therefor, and to meet all costs and expenses of issuing and servicing the bonds.

(2) In order to make the findings as described in subsection (1)(a), a hearing must be conducted in the following manner:

(a) the city or county in which the project will be located must be notified; and the city and county must, within 14 days after receipt of the notice, notify the board if it elects to conduct the hearing; or

(b) if no request for a local hearing is received, the board may hold the hearing at a time and place it prescribes.

(3) If the hearing required by subsection (2) is conducted by a local government, the governing body of the local government must notify the board of its determination of whether the project is in the public interest within 14 days of the completion of the public hearing.

(4) When a hearing is required either locally or at the state level, notice must be given, at least once a week for 3 weeks prior to the date set for the hearing, by publication in a newspaper of general circulation in the

city or county where the hearing will be held. The notice must include the time and place of the hearing; the general nature of the project; the name of the lessee, borrower, or user of the project; and the estimated cost of the project."

Section 2. Section 17-5-1527, MCA, is amended to read:

"17-5-1527. Procedure prior to financing major projects. (1) The board may finance major projects under this part only when it finds that:

(a) the financing is in the public interest and is consistent with legislative purposes and findings;

(b) the financing to be provided by the board for a project does not exceed either $10 million or 90% of the cost or appraised value of the project, whichever is less;

(c) a financial institution will participate in financing the project if the cost or appraised value is less than $1 million, either directly or through a letter of credit, to the extent of at least 10% of the financing to be provided by the board, provided, however, that participation by a financial institution in projects of over $1 million is at the discretion of the board;

(d) the financing for the project is insured or guaranteed in whole or in part by a private or governmental insurer or guarantor, including but not limited to a guaranty by the board pursuant to 17-5-1519; ~~and~~

(e) any contracts to construct the projects require

all contractors to ~~comply with the provisions of Title 15, chapter 50, and of Title 18, chapter 2~~ 18-2-403 GIVE PREFERENCE TO THE EMPLOYMENT OF BONA FIDE MONTANA RESIDENTS AS DEFINED IN 18-2-401(4) IN THE PERFORMANCE OF THE WORK ON THE PROJECTS ~~IN THE SAME MANNER AS PREFERENCE IS GRANTED TO VETERANS UNDER 39-30-201~~; and

~~(e)~~(f) adequate provision is made in the loan agreement, lease, or other credit arrangement regarding a project or projects being financed to provide for payment of debt service on bonds of the board issued to finance such project or projects, to create and maintain reserves therefor, and to meet all costs and expenses of issuing and servicing the bonds.

(2) In order to make the findings as described in subsection (1)(a), a hearing must be conducted in the following manner:

(a) the city or county in which the project will be located shall be notified, and within 14 days must advise the board if it elects to conduct the hearing; or

(b) if no request for a local hearing is received, the board may hold the hearing at a time and place it prescribes.

(3) If the hearing required by subsection (2) is conducted by a local government, the governing body of the local government must notify the board of its determination

of whether the project is in the public interest within 14 days of the completion of the public hearing.

(4) When a hearing is required either locally or at the state level, notice must be given, at least once a week for 3 weeks prior to the date set for the hearing, by publication in a newspaper of general circulation in the city or county where the hearing will be held. The notice must include the time and place of the hearing; the general nature of the project; the name of the lessee, borrower, or user of the project; and the estimated cost of the project."

NEW SECTION. SECTION 3. PREFERENCE OF MONTANA LABOR. ANY CONTRACT TO CONSTRUCT A PROJECT FINANCED PURSUANT TO THIS PART MUST REQUIRE ALL CONTRACTORS TO ~~COMPLY WITH THE PROVISIONS OF 18-2-403~~ GIVE PREFERENCE TO THE EMPLOYMENT OF BONA FIDE MONTANA RESIDENTS AS DEFINED IN 18-2-401(4) IN THE PERFORMANCE OF THE WORK ON THE PROJECTS ~~IN THE SAME MANNER AS PREFERENCE IS GRANTED TO VETERANS UNDER 39-30-201~~, IF THEIR QUALIFICATIONS ARE SUBSTANTIALLY EQUAL TO THOSE OF NONRESIDENTS. SUBSTANTIALLY EQUAL QUALIFICATIONS MEANS THE QUALIFICATIONS OF TWO OR MORE PERSONS AMONG WHOM THE EMPLOYER CANNOT MAKE A REASONABLE DETERMINATION THAT THE QUALIFICATIONS HELD BY ONE PERSON ARE SIGNIFICANTLY BETTER SUITED FOR THE POSITION THAN THE QUALIFICATIONS HELD BY THE OTHER PERSONS.

NEW SECTION. Section 4. Extension of authority. Any

existing authority of the board of economic development to make rules on the subject of the provisions of this act is extended to the provisions of this act.

NEW SECTION. SECTION 5. CODIFICATION INSTRUCTION. SECTION 3 IS INTENDED TO BE CODIFIED AS AN INTEGRAL PART OF TITLE 17, CHAPTER 6, PART 3, AND AS AN INTEGRAL PART OF TITLE 90, CHAPTER 5, PART 1, AND THE PROVISIONS OF TITLE 17, CHAPTER 6, PART 3, AND OF TITLE 90, CHAPTER 5, PART 1, APPLY TO SECTION 3.

-End-

STATEMENT OF INTENT

HOUSE BILL 554

It is the intent of the legislature that nothing contained in HB 554 shall require the economic development board of the department of commerce to enforce the statements submitted by an applicant to comply with section 17-5-1526(e), MCA, provided a statement has been submitted by the applicant prior to the approval of the loan.

CORRECTED
REFERENCE BILL
HB554

HOUSE BILL NO. 554

INTRODUCED BY CONNELLY, BARDANOUVE, HARP, ASAY, HALLIGAN, KADAS, COHEN, DRISCOLL, MONTAYNE, GLASER, QUILICI, C. SMITH, JONES, WALLIN, PHILLIPS, BRANDEWIE, ADDY, HARPER

A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING CONTRACTS FOR PROJECTS FINANCED UNDER THE MONTANA ECONOMIC DEVELOPMENT BOND ACT, THE MONTANA IN-STATE INVESTMENT ACT, AND THE INDUSTRIAL DEVELOPMENT PROJECTS LAW TO ~~COMPLY--WITH THE PROVISIONS--OF--THE-PUBLIC-CONTRACTOR'S-FEES-AND-TAX-LAW-AND WITH-THE-PROVISIONS~~ CONTAIN A PROVISION ~~OF-THE-LAW-ON-PUBLIC CONSTRUCTION-CONTRACTS~~ GIVING PREFERENCE TO THE EMPLOYMENT OF MONTANA RESIDENTS; AMENDING SECTIONS 17-5-1526 AND 17-5-1527, MCA."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 17-5-1526, MCA, is amended to read:

"17-5-1526. Procedure prior to financing projects. (1) The board may finance projects [other than major projects] under this part only when it finds that:

(a) the financing is in the public interest and is consistent with the legislative purposes and findings set forth in 17-5-1502;

(b) the financing to be provided by the board for a project does not exceed either $800,000 or 90% of the cost or appraised value of the project, whichever is less;

(c) a financial institution will participate in financing the project, either directly or through a letter of credit, to the extent of at least 10% of the financing to be provided by the board;

(d) the financing for the project is insured or guaranteed in whole or in part by a private or governmental insurer or guarantor, including but not limited to a guaranty by the board pursuant to 17-5-1519; ~~and~~

(e) AN APPLICANT HAS SUBMITTED A STATEMENT INDICATING any contracts to construct the projects WILL require all contractors to ~~comply--with--the--provisions--of Title--15, chapter--50,--and--of--Title--18,--chapter--2~~ 18-2-403 GIVE PREFERENCE TO THE EMPLOYMENT OF BONA FIDE MONTANA RESIDENTS AS DEFINED IN 18-2-401(4) IN THE PERFORMANCE OF THE WORK ON THE PROJECTS ~~IN-THE-SAME-MANNER-AS-PREFERENCE-IS-GRANTED--TO VETERANS---UNDER--39-30-201,~~ IF THEIR QUALIFICATIONS ARE SUBSTANTIALLY EQUAL TO THOSE OF NONRESIDENTS. SUBSTANTIALLY EQUAL QUALIFICATIONS MEANS THE QUALIFICATIONS OF TWO OR MORE PERSONS AMONG WHOM THE EMPLOYER CANNOT MAKE A REASONABLE DETERMINATION THAT THE QUALIFICATIONS HELD BY ONE PERSON ARE SIGNIFICANTLY BETTER SUITED FOR THE POSITION THAN THE QUALIFICATIONS HELD BY THE OTHER PERSONS; and

~~(e)~~(f) adequate provision is made in the loan

agreement, lease, or other credit arrangement regarding a project or projects being financed to provide for payment of debt service on bonds of the board issued to finance such project or projects, to create and maintain reserves therefor, and to meet all costs and expenses of issuing and servicing the bonds.

(2) In order to make the findings as described in subsection (1)(a), a hearing must be conducted in the following manner:

(a) the city or county in which the project will be located must be notified; and the city and county must, within 14 days after receipt of the notice, notify the board if it elects to conduct the hearing; or

(b) if no request for a local hearing is received, the board may hold the hearing at a time and place it prescribes.

(3) If the hearing required by subsection (2) is conducted by a local government, the governing body of the local government must notify the board of its determination of whether the project is in the public interest within 14 days of the completion of the public hearing.

(4) When a hearing is required either locally or at the state level, notice must be given, at least once a week for 3 weeks prior to the date set for the hearing, by publication in a newspaper of general circulation in the

city or county where the hearing will be held. The notice must include the time and place of the hearing; the general nature of the project; the name of the lessee, borrower, or user of the project; and the estimated cost of the project."

Section 2. Section 17-5-1527, MCA, is amended to read:

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-End-

CONFERENCE COMMITTEE REPORT Report No. 1

April 17, 1985

MR. SPEAKER

We, your Free Conference Committee on House Bill 554, REFERENCE COPY, salmon met and considered Committee of the Whole Amendment - Towe, 3-25-85, 3:20 p.m.

We recommend as follows:

1. Statement of Intent.
Page 1, line 8.
Following: "17-5-1526"
Insert: "(1)"

2. Bill.
Page 5, line 6.
Following: "~~39-30-201~~"
Insert: ", if their qualifications are substantially equal to those of nonresidents. Substantially equal qualifications means the qualifications of two or more persons among whom the employer cannot make a reasonable determination that the qualifications held by one person are significantly better suited for the position than the qualifications held by the other person"

And that this Conference Committee report be adopted.

FOR THE SENATE

Neuman, Chm.

Towe

Thayer

ADOPT REJECT

FOR THE HOUSE

Connelly

Driscoll

Jones

Kitselman

STATEMENT OF INTENT

HOUSE BILL 554

It is the intent of the legislature that nothing contained in HB 554 shall require the economic development board of the department of commerce to enforce the statements submitted by an applicant to comply with section 17-5-1526(1)(e), MCA, provided a statement has been submitted by the applicant prior to the approval of the loan.

REFERENCE BILL: Includes Free Conference Committee Report
Dated 4/17

HOUSE BILL NO. 554

INTRODUCED BY CONNELLY, BARDANOUVE, HARP, ASAY, HALLIGAN, KADAS, COHEN, DRISCOLL, MONTAYNE, GLASER, QUILICI, C. SMITH, JONES, WALLIN, PHILLIPS, BRANDEWIE, ADDY, HARPER

A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING CONTRACTS FOR PROJECTS FINANCED UNDER THE MONTANA ECONOMIC DEVELOPMENT BOND ACT, THE MONTANA IN-STATE INVESTMENT ACT, AND THE INDUSTRIAL DEVELOPMENT PROJECTS LAW TO ~~COMPLY--WITH THE PROVISIONS--OF--THE-PUBLIC-CONTRACTOR'S-FEES-AND-TAX-LAW-AND WITH-THE-PROVISIONS~~ CONTAIN A PROVISION ~~OF-THE-LAW-ON-PUBLIC CONSTRUCTION-CONTRACTS~~ GIVING PREFERENCE TO THE EMPLOYMENT OF MONTANA RESIDENTS; AMENDING SECTIONS 17-5-1526 AND 17-5-1527, MCA."

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HB 0554/05

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-End-